

# INFORMATION LETTER

Not for  
Publication

NATIONAL CANNERS ASSOCIATION

For Members  
Only

No. 743

Washington, D. C.

May 20, 1939

## SPRING MEETING OF THE BOARD OF DIRECTORS HELD IN WASHINGTON

### Action Taken on Can-Size Simplification—Reports Submitted by Committees

The spring meeting of the Board of Directors of the National Canners Association was held at the Shoreham Hotel in Washington on May 18 and 19. Meetings of the Administrative Council and the Committees on Legislation, Labeling, Social Security, Economic Research, and Simplification of Containers were held on preceding days so that reports might be prepared for submission to the Board.

Attendance at the Board meeting included not only members of that body, but the chairmen of seven commodity Sections, representatives of nineteen State canners associations, and members of the various committees called to meet earlier in the week.

Among the more important matters upon which the Board acted were—

Approval of the final budget for 1939, as recommended by the Administrative Council.

Approval of a revised list of recommended can sizes submitted by the Committee on Simplification of Containers.

Approval of a resolution that the canning industry adopt a simplified practice recommendation for can sizes under the auspices of the Division of Simplified Practice of the National Bureau of Standards, this procedure to be such as will permit revision of the list of can sizes where experiences demonstrate it to be desirable and practicable.

Approval of a recommendation from the Labeling Committee that, upon promulgation by the Department of Agriculture of standards of identity for canned products, active work be undertaken to acquaint members of the canning industry with the label requirements and with the terms adopted under the industry's labeling plan, so as to expedite the general acceptance and use of the descriptive labeling system.

Adoption of a resolution authorizing transfer to Canning Industry Research, Inc., of patents now held or that may hereafter be acquired by the Association.

Approval of the week of January 21, 1940, as the date of the next annual convention.

A review of the activities of the various departments of the Association was presented to the Board in the form of a memorandum, which is published elsewhere in the LETTER.

Dr. Neil Carothers of Lehigh University, who was engaged to conduct economic research work under the program approved at the annual convention, spoke at the luncheon hour, outlining the objectives of his studies and the plans for carrying on the work.

Chairman John F. McGovern of the Social Security Committee reported upon the progress of that committee's work, and its plans for future activities, stressing the necessity of cooperation between State canners organizations and the committee if the work is to be successful.

Chairman C. E. Lindsey, reporting for the Legislative Committee, described the measures now before Congress that are of special concern to the industry and reviewed the work that the committee has done since the annual convention. The legislative status of the various bills is given in the memorandum appearing elsewhere in the LETTER.

H. Thomas Austern of Association's counsel, gave a report on the administration of the Food, Drug, and Cosmetic Act, dealing with the subjects of legislation now pending to postpone the effective date of labeling provisions, the problems of label design, and the procedure in establishing standards

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## WAGE-HOUR LEGISLATION

### Miller Introduces New Bill Providing Complete Exemption for Canneries

Senator Miller of Arkansas introduced in the Senate on May 18 a revision of his earlier bill to amend the agricultural sections of the wage and hour law, and on the same day Chairman Norton of the House Labor Committee reintroduced her proposed amendments to the law. In reintroducing the bill, Mrs. Norton left out those sections of the former bill that dealt with agriculture.

Shortly after the House convened last Monday, Mrs. Norton stated that "it has been decided not to call the (wage and hour) bill up at this time under suspension of the rules". Earlier in the day Representative Cox of Georgia, a ranking member of the House Rules Committee, told the House that if the motion to suspend the rules and pass the Norton bill was voted down "the probabilities are that the Rules Committee would grant a rule on the bill which would provide for full consideration and the offering of amendments to the measure".

On Tuesday Mrs. Norton asked that her bill be recommended. Such action, if taken, would remove the bill from the House Calendar and would preclude the Rules Committee from giving the bill a rule permitting open debate and allowing amendments to be offered from the floor of the House. However, since it requires unanimous consent to recommit a bill which is not under consideration, her effort was balked by the objections of House members.

Failing in her effort to have H. R. 5435 returned to the Labor Committee, Mrs. Norton introduced the new bill (H. R. 6406). It is her expressed wish that the House Labor Committee favorably report the new bill, which contains no agricultural amendments to the present wage and hour law,

to the House next week. She will then move on June 5, the next day on which the House rules permit such motions, to suspend the House rules and pass the new bill.

The new Miller bill (S. 2450), like the former Miller bill, proposes both wage and hour exemptions for a long list of specified agricultural occupations, including canning, and proposes an hour's exemption for certain other agricultural occupations. Also included in the bill is a wage and hour exemption for operators of rural telephone exchanges having 800 stations or less.

The House Committee on Merchant Marine and Fisheries has announced that hearings will be held on May 31 on a bill (H. R. 4985) to establish a Fishery Educational Service in the Bureau of Fisheries and on bills (H. R. 5025 and H. R. 5681) authorizing the purchase and distribution of fishery products.

A resolution (H. Res. 162) introduced by Delegate Dimond of Alaska proposing an investigation of the fisheries of Alaska was favorably acted upon by the House Rules Committee on May 17. The text of the resolution appeared in the Information Letter for April 17. In voting to report the measure the Rules Committee recommended the adoption of amendments which would allow the investigation to cover all merchant marine activities in the United States and Alaska. The sum of \$25,000 would be authorized to pay the expenses of the investigation.

The Senate Interstate Commerce Committee, which has had an omnibus transportation bill under consideration for some time, favorably reported this bill (S. 2009) on May 16. The bill is designed to codify and clarify the present transportation acts and proposes to give the Interstate Commerce Commission jurisdiction over all common carriers by railroad, by water, or by motor vehicle on the highways, pipe-line companies, express companies, and sleeping-car companies, and over all contract carriers by water or motor vehicle.

## EVIDENCE AT VEGETABLE HEARINGS

### Summary Available for Use in Submitting Suggested Findings and Conclusions

For the assistance of canners who were unable to attend the hearings in Washington on April 24-26, relative to a proposal to promulgate standards of identity for a long list of miscellaneous vegetables, other than tomatoes and peas, and for canned mixtures of two or more vegetables, the Association's counsel has summarized the evidence presented at these hearings.

This summary, as it relates to specified products in which individual canners are interested, will be furnished on request. Along with the summary of evidence, there has been prepared an explanatory memorandum, which includes a model form for the submission by canners of proposed findings and conclusions. This explanatory memorandum will be furnished to all canners requesting evidence on specified products.

For the proper understanding of the evidence summarized, reference is made to the government proposal published in the INFORMATION LETTER of March 25, 1939.

The procedure that will be employed in formulating the regulation is as follows: Within the very near future, the transcript of evidence will be formally certified. Thereafter, any interested party is given ten days within which to file proposed findings of fact and proposed conclusions. It is hoped that in connection with this filing date some longer period than the prescribed ten days may be secured by the Association for all interested canners. After all of the proposed findings and proposed conclusions have been considered, a proposed report is filed by the presiding officer and at that time briefs and arguments and objections may be filed in writing.

In other words, at the present time those interested are limited to proposed findings and conclusions based *only* on the evidence. Briefs and other argumentative material are to be filed after the presiding officer has made his proposed report.

It is important to remember that the regulation may set forth not only the common or usual name, which *must* thereafter be used on the label, but may also set forth "the optional ingredients which shall be named on the label." For un-mixed canned vegetables there is a temporary exemption from this requirement, pending the issuance of a standard of identity. (See INFORMATION LETTER No. 730, February 18, 1939, page 5735.) It is also important to note that after the Secretary has standardized a canned food under a particular common or usual name, for example, "Sweet Potatoes", "Mixed Vegetables", it is not technically proper to use that name on any canned product that does not strictly conform to the standard of identity.

Any further inquiries concerning these proposals should be addressed to the Association. It must be understood, however, that if in connection with any particular vegetable, there is controversy among members of the industry as to any proposal, the Association cannot undertake to sponsor either side of such controversy.

The list of vegetables upon which hearings were held, and for which a summary of evidence is available, includes:

- Artichokes; whole, hearts.
- Asparagus; stalks, cut stalks, tips, butts.
- Bean Sprouts.
- Green Beans; whole, cut, slices.
- Wax Beans; whole, cut, slices.
- Shelled Beans.
- Lima Beans.
- Beets; whole, slices, quarters, dice, pieces, shoestring.
- Beet Greens.
- Broccoli.
- Brussel Sprouts.
- Cabbage.
- Carrots; whole, slices, quarters, dice, pieces, shoestring.
- Cauliflower.
- Celery.
- Collards.
- White Corn; on cob, whole grain, crushed.
- Yellow Corn; on cob, whole grain, crushed.
- Dandelion Greens.
- Field Corn; whole grain, crushed.
- Kale.
- Kohlrabi.
- Mushrooms; buttons, whole, slices, pieces and stems.
- Mustard Greens.
- Okra; whole, cut.

Onions; whole, cut.  
 Parsnips; whole, quarters, cut, slices, shoestring.  
 Black-eye Peas.  
 Field Peas.  
 Peppers; whole, pieces.  
 Pimientos; whole, pieces.  
 Potatoes; whole, dice.  
 Sweet Potatoes; whole, pieces.  
 Salsify.  
 Spinach.  
 Swiss Chard.  
 Truffles.  
 Turnip Greens.  
 Turnips; whole, quarters, cut, slices.

### Transcript of Canned-Pea Hearing Filed

The presiding officer of the public hearings held recently by the Department of Agriculture to fix and establish regulations relative to canned peas, has announced that the transcript of the hearings has been filed with the hearing clerk of the Department.

John McDill Fox, the presiding officer at these hearings, has announced that "written arguments, proposed findings of fact, or both, together with suggestions and conclusions, based solely on the evidence, may be filed with said Hearing Clerk not later than May 29, 1939."

### REVIEW OF ASSOCIATION'S ACTIVITIES

For the information of members of the Board of Directors, and others in attendance at the Board meeting, the following report on various phases of the Association's work since the convention and plans for future activities was presented.

#### Membership

Since the annual convention, the Association has received 23 applications for membership. Changes that have occurred through resignation or other causes leave the membership at this time the same as on the first of the year.

The Association's membership has been recruited and maintained without employment of paid solicitors. New members have been gained through the good will and active assistance of old members who know what the Association has done and can do, both for the individual canner and the industry as a whole.

At the Board's meeting in January the rate of dues for 1939 was reduced. The present prospects are that the 1939 pack—which will be the basis for dues in 1940—will be considerably below that of 1938, which is the basis for the current year's dues. If the present rate of dues is continued next year the Association's income will, of course, be considerably smaller than that for the current year.

Every member recognizes the desirability of keeping the rate of dues at the lowest level that will yield the funds necessary to carry on the Association's activities. If the pack of the present membership is reduced this year, it will be necessary to increase the membership or to increase the rate of dues. The larger the number of members, the less a membership will cost the individual canner. Furthermore, to increase the membership is to strengthen the Association's influence and broaden opportunities to serve the industry as a whole.

Those who are entrusted with the direction of the Association's finances earnestly hope that each member will per-

sonally give his best efforts to bring into the membership canners who have not yet affiliated with the Association.

#### Consumer Complaint Service

The work of the department handling consumer complaints has continued at about the same level as last year.

Of unusual interest and importance have been two cases in which botulism was suspected by physicians or health officials, and in which commercially canned foods were involved. In both cases, one of which was in Massachusetts and the other in South Dakota, it has been quite definitely established that commercially canned food was not the cause of illness.

During the first four months of this year, the Association has investigated 884 new complaints, as compared with 901 a year ago. Sixty-two suits have been disposed of, four of which resulted in verdicts for the claimant after trial. Eighty-three new suits have been filed, and a total of 427 suits are now pending.

The Association is informed that an active investigation of so-called ambulance chasing has been going on for some time in Cleveland and that two attorneys have been disbarred for life, another suspended for a period of one year as the result of unethical solicitation of personal injury claims, and disbarment charges have been filed against eight more. The trial of one of the attorneys is now under way. In the opinion of Association's counsel, the result of this investigation will materially improve the situation in Cleveland.

Since the first of the year, the Trustees of the protective fund established in 1932 have authorized contributions toward settlement of two claims of serious illness attributed to foreign materials in cans of food. These settlements were made on the recommendation of local counsel and with the approval of the Association's general counsel.

In planning the department's work for the current year, no material change in present procedure or policy is contemplated. The Association will make special efforts to render satisfactory service to members who are disposed to uphold its policy of contesting unjust claims, realizing that, in the long run, this is the best policy.

#### Research Laboratories

During the year to date, the Laboratory has carried on its planned activities and has made the adjustment necessary to carry its part of the work precipitated by the new Food Act. In doing this the principal task has been to carry to the membership—by correspondence and otherwise—interpretations of the Act and regulations made by the Food and Drug Administration with respect to labeling. Beyond this, much attention has been given to matters incidental to hearings on standards. This Laboratory activity necessarily has not been directed to the legal considerations underlying the new law, but has been, for the present, supplemental to them. There are thus two aspects to the problem, legal and technical, and it will eventually fall to the Laboratory to interpret both of these in such form as to be understood by canner and consumer alike. The subject of standard hearings and food and drug enforcement will be discussed fully at the meetings.

To what extent work incidental to the new law will continue as a major Laboratory activity cannot be predicted. Some abatement may be expected as time goes on. For many years, however, the industry looked to Dr. Bigelow for guidance in the technical aspects of the existing law, and with this as precedent, it is safe to assume that the Laboratory will long continue its interest in the new Act.

**Waste Disposal.**—Cannery-waste disposal has long been



recognized as a problem of importance. Over a period of years the Laboratory has collaborated in waste-disposal studies and has attempted to maintain current information on the subject. Extensive active research has been, and is, impracticable because of the great diversity of situations arising from geographical locations, products, water conditions, and other factors. Sanitation officials have applied progressively more rigid restrictions, however, and it is now apparent that in certain sections the issue is somewhat critical. There is no waste treatment that is generally applicable, and attention must be given to individual operations. With this in mind the Laboratory is extending its interest in waste disposal and to date field trips have been made in connection with the installation of one new waste-disposal plant and improvements relating to two existing plants. During the next two or three months, full-time attention by one of the staff will be given to this problem.

**Work for Labeling Committee.**—In February a special meeting of the Labeling Committee was held to consider food standards for canned peas. The general descriptive labeling situation was discussed briefly, and later a memorandum to the Labeling Committee was prepared to present to them a summary of the work that has been done and the particular products which have yet to be the subject of definite action with respect to appropriate descriptive terms. It is hoped later to bring out a revision of the labeling bulletin to advise the canning industry and consumers of the progress that has been made.

During the approaching canning season the work of the Laboratory in connection with labeling will include an extension of the Tenderometer studies which were made in 1938. Further tests will be made on variation in handling the raw peas between the viner and canning operations. Further work will be done in the study of the change in size of peas during the process. Later in the season a study will be made of consistency in cream style corn and methods by which it may be measured. Tomatoes and green and wax beans may receive attention, depending upon future discussions concerning them.

**Bacteriological Studies.**—In the annual report for 1938, there was considerable comment concerning the new development in the method for determining heat resistance of bacterial spores. Work on this method has been continued during the spring months and will be followed throughout the year with such lapses as may be occasioned by seasonal work. This is a long-time project of a fundamental nature and should yield data of basic importance in the determination of safe processes.

Processing studies have been continued with especial reference to meats. During the early part of the year cultural examinations were made of experimentally inoculated packs of brains with gravy, veal loaf, tongue, and chili con carne. These packs were put up last fall and the data obtained from them were reported recently to the Meat Committee. There will be an extension of this work later in the year.

Preparations are now under way for bacteriological field surveys that will be conducted during the summer. Attention will be given to peas, corn, tomato juice, and sardines, and work will be done in Ohio, New York, and Maine. The sardine problem is of special importance because of the transition in processing methods now under way. Here it is regarded as necessary to repeat experimental packs which were made some years ago and, supplementary to this, to undertake such bacteriological research as will provide information concerning the nature and extent of so-called "normal" contamination. Commercial experience in the past

has indicated that sardines, and perhaps other seafoods, normally carry much lower spore contamination than is the case in vegetables. Heretofore there has been no opportunity to assign a field laboratory to such work, but such provision has been made this year.

Further experimental packs will be made on string beans, corn on the cob, whole kernel vacuum pack corn, and sweet potatoes.

**Miscellaneous Laboratory Studies.**—Miscellaneous laboratory studies include observations on the effect of iron and tin salts on the determination of vitamin C and darkening of grapefruit juice in storage. A method has been developed by which ascorbic acid (vitamin C) may be determined in the presence of large amounts of ferrous iron salts, and this has a practical bearing on the accuracy of the vitamin C assay. The studies on grapefruit juice have not progressed to the point which would justify comment.

**Consumer Complaints.**—The Laboratory has continued cooperation with the Consumer Complaint Service by making organoleptic and bacteriological examinations of food samples that have been submitted in connection with complaints, and members of the staff have attended court in instances where this was advisable.

#### Raw Products Research Bureau

Field work of the Raw Products Research Bureau began in February when the director assisted in conducting canners' schools at Purdue University, Lafayette, Indiana, and at Ohio State University, Columbus, Ohio.

During early March, at the request of the Florida Canners Association, a study was made in that State of factors that may be important in influencing raw-product quality in grapefruit. Subsequently, a memorandum was prepared and submitted to the chairman of the grapefruit canners committee, from whom the request for the survey was received, covering the observations made during this trip and embodying tentative suggestions for the future.

For the crop-growing season now approaching, present plans contemplate continuation of field studies of the canning crops work of the experiment stations and Federal agencies, with particular reference to new problems or to old ones that have become more acute since last season. Among these problems are the relative value of new methods for control of pea aphid; increase in damage from the European corn borer and the threat of this insect to canners' crops; new experiments for control of corn ear worm on both sweet corn and tomatoes, which continues to be troublesome in certain regions; and defoliation diseases of tomatoes, which are beginning to receive the serious attention of investigators due to serious crop losses.

Direct seeding of tomatoes will be tried out by many canners and by experiment stations, following the pioneering work already done with this method, and this practice, as well as increased use of nutrient solutions on tomatoes, are subjects upon which it is desirable to have more definite information from tests that will be made this season. Likewise, it is important to keep in touch with the progress made during the coming summer by seedsmen and experiment stations in developing better varieties of string beans, peas, and hybrid sweet corn for canners' use.

These, and related canning crops research projects, will be studied during the course of the growing season now at hand, in order that the Bureau may bring to members the most up-to-date information available with which to solve production problems. For in spite of market fluctuations and economic cycles, canners' interest in a better raw product at

lower cost is fundamental. Often a feasible method of lowering costs and insuring quality, without diminishing unit returns to the grower, is through the practical utilization of the knowledge derived from current agricultural research.

#### Division of Statistics

**Economic Research.**—The economic research program adopted by the Board of Directors at its meeting in January consisted of two parts: First, study of financing policies of canning firms; second, analysis of statistical data relating to the marketing of canned foods. The first phase of the program is being conducted in large part by Dr. Neil Carothers of Lehigh University. The second phase of the work was to be undertaken by the staff of the Association's Division of Statistics.

During the last two months, the Division has been editing the data in its files that are to be analyzed under the economic research program. Preparations have been made to assemble additional and supplementary data. The Division's economic research work has of necessity been broken into a large number of small projects, the nature of these projects depending upon the type of available information and the object of the analysis.

The first project undertaken was an analysis of the monthly record of shipments of canned peas for the last two years, the purpose of which is to show the relation between the record of monthly shipments for certain groups of canners. These groups were selected on the basis of their merchandising policies. A comparison of the pattern of monthly shipments for 1938-39 with that in 1937-38 for the entire industry, as well as for these separate groups, will reveal to some extent the difference between selling and shipping on a spot market and on a market where a substantial percentage of the pack had been sold on future contracts. The record of acreage changes will likewise be compared with the record of sales and shipments, the purpose being to bring out the relationship between the record of sales and the degree of adjustment of production to consumption levels. This project is nearing completion and a report will be ready for publication soon after the close of the current pea marketing year, that is, June 1.

Another project—an analysis of the statistical position of the major canned vegetables with respect to the 1939 program for canning—has been completed. Five reports have been published in the weekly *INFORMATION LETTER*, as follows: March 4—"Factors in Pack Program"; March 25—"Prospects for Canned Peas in 1939"; April 15—"Prospects for Canned Corn for 1939" and "1939 Prospects for Green-Wax Beans"; April 29—"Utilization of Tomato Crop."

Work has been begun on three other projects. First of these is a study of the effect of temperature and rainfall on the production of peas and corn. This study is being made principally as a background for the development of a more efficient reporting service for crop conditions. Another project now under way is the assembling of comparable figures on the cost of canning peas, corn, tomatoes, and green and wax beans. A report will be ready on this project some time next fall when the marketing of the 1939 pack gets under way.

**Simplification of Containers.**—Work on simplification of containers has been carried on in accordance with the resolution adopted by the Board of Directors at its meeting in January. A tentative report was made to the industry on March 21. This report has been revised and is being submitted to the Board for consideration. The work of the Division in connection with the can-simplification program will be covered more completely in a special report on simpli-

fication of containers being made at this meeting of the Board.

**Stocks and Shipment Statistics.**—During the past year, three products have been added to the list of those on which stocks statistics are assembled by the Division. Tomato-juice stocks were assembled for the first time as of August 1, 1938, and stocks have been collected as of the first of each month from January 1 to date. The cooperation of tomato-juice canners with the Division in this work has been very satisfactory. Statistics on stocks of catsup were collected by the Division for the first time as of March 1. Asparagus stocks as of April 1 were assembled and reported for the first time by the Division. In the case of asparagus the cooperation of canners was very satisfactory. In the case of catsup stocks, however, the cooperation of canners was not satisfactory on the first attempt. Another attempt will be made to assemble catsup stocks figures, at which time it is hoped a larger percentage of canners will cooperate.

**Pack Statistics.**—The 1938 pack statistics on canned vegetables were prepared for publication and issued in bulletin form in March.

**Canner-Grower Relations.**—The canner-grower relations study on grapefruit was completed and published in February in a bulletin entitled "Marketing Grapefruit." This bulletin has been distributed to all the grapefruit canners and to all members of the Association. In addition the Association, upon request, supplied 15,500 copies for distribution to grapefruit growers.

**Service Work.**—The service work of the Division, consisting of the compilation of economic and statistical information of various kinds for the members of the industry, continues steadily to increase.

#### Home Economics Division

The activities of the Service Kitchen have consisted of the development of new recipes for members' products and the testing of recipes submitted by members. In addition recipes have been formulated for the second and third issues of the series of booklets being published. The first of the series, entitled "Every Day Recipes for Canned Foods", was published in December, 1938; the second one, "Easy Recipes Using Canned Foods", in March of this year; and the third one, entitled "Summer Recipes for Canned Foods", is in press. Each of these booklets consists of timely recipes, and it is felt that by publishing several of them each year interest will be maintained in the use of canned foods. Because of the limited space in each pamphlet, every canned food can not be featured each time, but over the period of a year the products of the industry will be covered.

The Kitchen leaflets will be featured at the booth where the literature of the Division is displayed at the American Home Economics Association meeting at San Antonio, Texas, in June, and at the American Dietetic Association meeting at Los Angeles, in August.

Some of the work done in so-called consumer education during the last few years has tended to prejudice educators against the acceptance of commercial material. Because of this fact, the Home Economics Division has checked very carefully this year with the leaders in education in each city and State visited to determine whether this had influenced their acceptance of the material of the Association. In every case the staff has found complete approval of the literature of the National Canners Association.

Field work has been carried on this year in Pittsburgh, Cleveland, Columbus, Philadelphia, New York City, Boston, Worcester, Mass., Chicago, Detroit, Buffalo, Syracuse, Albany, and Saratoga Springs, N. Y. In every city visited, contacts were renewed and new ones made. Fine cooperation was

given the staff by women planning radio programs. They were guest speakers on ten different homemaking or marketing programs. This gave a new and wide audience, as shown by the requests for literature received by the Division.

In the Office of Education of the Department of the Interior in Washington, a new bureau has been established for the purpose of stimulating interest in education for the distributive trades. This was established under a grant made by Congress known as the George-Deen Act.

Among the distributive trades, the retail grocery business is of importance in this program and young people of high school age are being trained to be grocery clerks. Requests have come to the Division for literature to fit into this program, and on field trips information was gathered regarding the scope and content of the program. As a result, the Division plans to prepare a leaflet that will be suited to these courses of study and to continue the distribution of the literature already prepared that is suitable for such courses.

Miss Black will attend the American Home Economics Association meeting in San Antonio to have charge of the booth in which the literature of the Division will be exhibited. Miss Atwater will attend the American Dietetic Association meeting at Los Angeles and have charge of the exhibit at that convention. Going to and from each of these conventions, Miss Black and Miss Atwater will make contacts with groups in various cities.

#### Information Division

Issuance of a revised edition of "Scientific Research Applied to the Canning Industry" has equipped the Association to meet the numerous requests from educators, consumer groups, and others for specific information on the research phases of the Association's work. Copies of this publication were sent to the libraries of over 700 colleges and universities, and librarians of many of the country's largest educational institutions have made formal acknowledgment of receipt of the bulletin.

The series of articles on the canning industry and its products, first issued in loose-leaf form, has been republished as a bulletin. It likewise was sent to college and university libraries and has been well received. A number of librarians have especially commended the bibliography included in the bulletin.

The Association has advised librarians that additional copies of these publications will be supplied upon request for reference use, and it is hoped that with material thus being made available, the industry will more frequently be made the subject of reports and papers to be prepared by students.

Since the annual convention, increasing use has been made of the INFORMATION LETTER to keep members advised concerning developments in the administration of new laws, such as proposed definitions and standards under the Food and Drug Act and interpretation of the Fair Labor Standards Act. In addition, the economic analyses prepared by the Division of Statistics have been published in the LETTER, along with the Division's various statistical reports. Two articles, one dealing with typical label designs and another with the recommended form of food guarantee, were reprinted in separate form because of the wide demand for them.

That the INFORMATION LETTER is being more carefully read and used is evident from the Association's correspondence; but it is likewise clear from the correspondence that some members either fail to read the LETTER or neglect to keep it on file for consultation when questions arise. The fact that the Association constantly receives requests from interests

outside, but related to the industry, to be placed on the mailing list for the LETTER, is evidence that it should be of value to the industry itself. The INFORMATION LETTER is part of the membership service, going only to members, in accordance with the policy adopted by the Board.

While progress has been made on the revision of the bulletin describing the Association's form of organization and its activities and services, the revision has not been completed. The bulletin, when published, will serve both to inform members upon the character and scope of the Association's work and to furnish the basis for membership solicitation and promotion.

#### Shipping Containers and Damage Prevention

The subject of shipping containers and prevention of damage to shipments has come before the Conference Committee of Canners and Distributors on a number of occasions, with proposals for revision of box specifications, for cooperation with canners and distributors in reporting claims and causes of damage, for participation in perfect-shipping campaigns, etc. The Conference Committee meets infrequently, and ordinarily for a short time; hence it is not in position to take action upon such proposals as would require extended investigation and study by the various interests concerned, including shippers, carriers, consignees and container manufacturers.

In view of these circumstances, a subcommittee of the Canners Conference Committee, with John L. Baxter as chairman, was appointed to study the subject of fiber shipping containers and prevention of damage to canned foods shipments. As the first step in its work, the subcommittee is assembling available information upon carriers' rules and regulations on fiber containers, carriers' recommendations on car loading and stowage, canners' recommendations and practices, etc. This information is desired for, first, the basis of a bulletin or manual that might be sent to all canners, and second, the basis of a schedule for use by consignees in reporting damaged shipments.

The Washington office has undertaken to assemble the information, and already has a considerable amount of data in hand.

It has frequently been pointed out that damage to shipments may result from a number of causes, such as use of containers of inadequate strength, use of containers of improper size though the containers themselves may be of adequate strength, improper sealing, rough handling to and from cars or to and from vessels, inadequate stowage, or rough handling by the rail carrier.

Information on the materials and methods used by canners whose shipments arrive in good condition should furnish the basis for a publication on recommended practices, and at the same time make it possible to fix more definitely the responsibility for such damage as occurs.

#### Food Guarantee

At the meeting of the Conference Committee of Canners and Distributors during the annual convention, a suggested form of food guarantee was presented and discussed. The Committee agreed, in principle, upon the provisions to be embodied in the guarantee and authorized counsel of the participating associations to study the form as presented and prepare a form embodying the principles agreed upon.

This study was completed and the form of guarantee, announced in April, was approved by representatives of the National American Wholesale Grocers Association, the United States Wholesale Grocers Association, Cooperative Food Dis-



tributors of America, Super Market Institute, Inc., and the National Food Brokers Association.

While the action of the Joint Conference Committee is not binding upon individual members of the participating associations, the desirability of a standard form of guarantee is generally recognized, and the Association recommends to its members that they adhere to the standard form.

#### Legislation of Interest to Canners

Since the Board of Directors last convened, three legislative matters of paramount interest to the canning industry have come before Congress for action. These are:

1. The Lea bill, postponing the effective date of labeling requirements under the Federal Food, Drug, and Cosmetic Act, has passed both Houses.
2. Amendment of the wage and hour law, eliminating "area of production" provision and setting out specified exemptions, proposed by Chairman Norton of the House Labor Committee.
3. Amendment of the Marketing Agreement Act of 1937 proposed in the Jones bill, which would bring canning crops under the Act and subject to marketing orders.

In addition, there have been introduced in Congress a number of other bills that affect canners in some measure. The bills of interest to the industry, and action that Congress has taken relative to them, are noted below:

**Postponement of Effective Date of Labeling Requirements.**—The Lea bill (H. R. 5762) postpones until January 1, 1940, various provisions, including labeling, of the Food, Drug, and Cosmetic Act, and permits further administrative postponement until July 1, 1940, of certain labeling provisions. Passed House April 19, 1939, passed Senate May 4 in amended form, and now in conference.

**Amendments to Wage and Hour Law.**—The Norton bill (H. R. 5435), reported to the House on April 27, would amend the Fair Labor Standards Act by eliminating the provision as to "area of production" and by providing a 60-hour workweek and a 14-week complete exemption from the hours requirements for the canning industry and other agricultural processors when their operations are not performed at a "terminal establishment." Canners would remain subject to the wage provisions. Application of the proposed law to the canning industry would depend largely upon the administrator's definition of "terminal establishment," just as, under the present law, it has been determined by the definition of "area of production."

Chairman Norton gave notice she would request suspension of the rules on May 15 for consideration of the bill, by which procedure amendments from the floor would be prevented. On that date, however, she withdrew her request, as strong opposition had developed, both to denial of opportunity to present amendments from the floor and to the inclusion in the proposed amendments of language giving the administrator broad interpretative discretion. A companion bill (S. 2008) to the original Norton bill was introduced in the Senate by Senator Thomas.

The Barden bill (H. R. 5374), which proposed to exempt canners and employees in other agricultural industries from both the wage and hour provisions of the law, was rejected by the House Labor Committee previous to the Committee's reporting the amended Norton bill. The Miller bill (S. 2022) is a companion bill to the Barden bill, and the Randolph bill (H. R. 5055) is similar to both of these. The Hendricks bill (H. R. 5283) would define "area of production" to include

establishments that are within a radius of 25 miles of normally produced commercial quantities of the major commodity used by such establishment.

**Amendments to Marketing Agreement Act.**—The Jones bill (H. R. 6208) would make this act applicable to any agricultural commodity or product thereof, and would make canning crops subject to marketing orders. Pending before House Committee on Agriculture.

The Bone-Hill bill (S. 1096), which has passed the Senate, would apply the Act to Pacific Northwest apples. The bill has been reported to the House by Committee on Agriculture. The Hill bill (H. R. 4244) would cover pears, and the McNary-Pierce bill (S. 1332-H. R. 4539) would cover hops.

**Water Pollution Control.**—The Barkley bill (S. 685) provides for a Division of Water Pollution Control in the Public Health Service to plan for prevention of pollution of navigable waters under Federal control, and to encourage State activities by a system of Federal grants and loans. Unlike the bill vetoed by the President last year, this bill provides that appropriations shall be handled through the Budget Bureau. Passed the Senate May 1. Reported favorably to House May 10. The more stringent Clark bill (S. 1691) was voted down.

**Regulation of Agricultural and Vegetable Seeds.**—The Coffee seed bill (H. R. 3366) to regulate interstate and foreign commerce in agricultural and vegetable seeds, was reported favorably to the House on May 3 by the Committee on Agriculture.

**Prison-Made Goods.**—S. J. Res. 59, which asks the Bureau of Labor Statistics to collect information on the amount and value of all prison-made goods, was passed by the Senate March 8, and reported favorably to House by Committee on Labor April 3. The Norton bill to amend the wage and hour law contains a section that would prohibit the interstate shipment of prison-made goods.

**Regulation of Can Sizes.**—The can-size bill (H. R. 4402), introduced by Chairman Somers of the House Committee on Coinage, Weights, and Measures, is still pending before that committee. The bill proposes to fix standards of dimension and capacity for metal containers for canned fruits and fruit products, canned vegetables and vegetable products, and canned milk. Fourteen cylindrical and rectilinear containers are specified, and the Secretary of Agriculture would have authority to approve other sizes.

**Bills Defining "Agricultural Labor."**—The Logan bill (S. 1550), supported by a number of farm organizations, would define the term "any individual employed as an agricultural laborer" which appears in the National Labor Relations Act. Similar bills are H. R. 4376 (Allan of Illinois), H. R. 4400 (Lea of California), and H. R. 4594 (West of Texas). The definitions proposed in all four bills exempt canning. Hearings on the bills are in progress before Senate and House Committees on Labor.

**Walsh-Healey Amendments to Public Contracts Act.**—These amendments (S. 1032-H. R. 3331) would extend jurisdiction of the Act to government contracts and sub-contracts in an amount of \$2,000 or more instead of the present limit of \$10,000; would amend the child-labor provisions of the Act to conform with the wage and hour law; and would permit the recovery on behalf of employees of double the amount due them for underpayment of wages in the case of a second offense, and treble the amount in subsequent cases. The Senate Committee on Education and Labor has referred these amendments to various government departments for recommendations. Hearings are in progress.

# **SPRING MEETING OF THE BOARD OF DIRECTORS HELD IN WASHINGTON**

(Continued from page 5847)

of identity. In connection with the latter subject, there were distributed copies of the summary of evidence given at the hearings on miscellaneous vegetables, which are described elsewhere in the LETTER and which are available to canners requesting them.

The report upon can sizes presented by Chairman Krimendahl of the Simplification of Containers Committee, embodied some changes in the list of sizes as carried in the report sent to canners for criticism and suggestions, these changes consisting chiefly of sizes added to the list. Mr. Krimendahl outlined to the Board all the various factors that should be taken into consideration in making up a list, and explained the final basis upon which the selection of sizes was made.

At the opening of the meeting, President Walter L. Graefe referred feelingly to the deaths of Elmer E. Chase, a former president of the Association; Dr. Willard D. Bigelow, director of the Washington Research Laboratory, and Harry A. White, member of the Board. He appointed a committee to draft appropriate resolutions, which were later reported to the meeting and unanimously adopted.

On the subject of membership promotion, Vice-President H. F. Krimendahl made an earnest plea that each member of the Association make an effort to bring into the Association those canners who are not now members but who would both profit from membership and add to the Association's strength and influence.

During the meeting there was presented to former President Karl K. Mayer an engrossed copy of the resolution adopted at the annual convention expressing the appreciation of the Association and the industry for the services he has rendered.

Judge J. Harry Covington, counsel for the Association, made a brief but very interesting talk just prior to the noon recess, touching upon the difficulties in which business now finds itself and the reason for believing that industry and trade will right themselves and go forward to new heights.

## **To Expedite Action on Can Sizes**

Pursuant to the action of the Board of Directors in approving the plan for the industry to adopt a simplified practice recommendation for can sizes, the Division of Simplified Practice of the National Bureau of Standards will be asked to expedite action by sending to the industry at an early date the list of can sizes as recommended by the Association's committee, in order that it may obtain the agreement of individual canners to adhere to this list.

It is appreciated that the industry finds it necessary to use up supplies of cans that are now in stock, but by the close of the year it will be possible to report definitely upon the degree to which the program has been approved and the extent to which the simplified list has been and may be expected to be used by the industry. Obviously, if the industry through voluntary action meets the problem of can sizes, there will not be need for legislation upon the subject.

## **Dr. Cameron Named Director of Laboratory**

At its meeting on May 17, the Administrative Council approved the appointment of Dr. E. J. Cameron as director of the Washington Research Laboratory. Since the death of Dr. Bigelow, Dr. Cameron has been serving as acting director.

## **Unemployment Compensation Statutes**

Following is a summary of the report submitted by Chairman McGovern of the Social Security Committee:

"The Special Committee on Unemployment Compensation Statutes was appointed by the Board of Directors at its meeting in May last year. The Committee was directed to consider ways and means by which the burden of unemployment compensation taxes borne by canners could be reduced, and it was further directed to devise, if possible, a comprehensive industry-wide program by which this object could be achieved.

"Since its formation, the full Committee has held two meetings—one in Chicago in January, and one here in Washington last night. In addition, a Special Subcommittee met in Washington in March to discuss this general problem with representatives of the Federal Social Security Board.

"When the Committee was appointed last May, it was believed possible that canners might be able to qualify for future reductions in their tax rates under the merit rating provisions of the various State statutes. This belief was predicated upon the assumption that most of the seasonal workers employed in the canning industry would not be able to qualify for unemployment benefits. For this reason, it was anticipated that the work of the Committee would be devoted primarily to a study of these merit rating provisions and to ways in which canners might increase the possibility that they would be able to qualify for rate reductions. Discussion at the Committee's meeting in Chicago in January disclosed, however, that these earlier assumptions were incorrect. In fact, the seasonal workers employed in the canning industry qualified for unemployment benefits in a substantial number of instances last year. Although the frequency of these benefit payments varied in different States, in some States it developed that seasonal workers received more in benefits than the canners had actually paid in taxes. Because of these large benefit payments, it became apparent that canners would not be likely to qualify for future rate reductions. Even more important, however, was the possibility that canners' tax rates might even be increased because of these large benefit payments, and such increases have in fact been made in Wisconsin.

"Consequently, the Committee's chief task has been to endeavor to devise some way in which these large benefit payments to seasonal workers could be reduced. Most of these seasonal workers who receive benefits are—the Committee believes—housewives, farmers and agricultural workers, students, and others who have no real attachment to the labor market. After the canning season is over they return to their normal occupations on the farm or in the home and cannot really be deemed unemployed. The Committee does not believe that they should be entitled to receive benefits.

"To meet this problem, a Special Subcommittee was appointed to discuss the entire matter with the Federal Social Security Board in Washington, D. C. This was done at a series of discussions held in March. The representatives of the Social Security Board agreed generally that many of the seasonal workers employed in canning have no permanent attachment to the labor market and should not receive benefits.



"The representatives of the Board suggested that the problem might be solved by increasing and making more stringent the benefit eligibility requirements under the different State statutes. The Board had already recommended that these requirements be increased so that an employee must earn thirty times his weekly benefit amount before he can qualify for benefits. This means generally that he must have earned at least \$150 during the preceding year before he could qualify for benefits. The representatives of the Board thought that if the eligibility requirements were increased in this fashion many of the seasonal workers would be excluded from benefits because they would not have earned sufficient wages to qualify.

"Following these discussions with the Board, a memorandum was sent to all members of the full Committee and to all State secretaries urging that an effort be made to secure amendments to State unemployment compensation statutes that would increase the benefit eligibility requirements. To date, such amendments have been adopted in a number of States, and the Committee believes that this will prove extremely helpful in reducing benefit payments. The Committee again wishes to urge that amendments of this kind be advocated and favored.

"The Committee does not believe, however, that increasing the benefit eligibility requirements in this fashion will offer a complete and permanent solution to the industry's problem. It is believed that some special method of dealing with the canning industry and other seasonal industries must be devised. The Committee is not at this time prepared to make any recommendations as to the type of permanent solution which might be worked out. It is likely, however, that this is a problem which will ultimately have to be solved by the canners in each individual State, since differences in conditions and in the provisions of State statutes make it impossible to devise a single solution which will be applicable to all States. The Committee plans to give further study to this problem in cooperation with the Federal Social Security Board, which is itself quite interested in working out some permanent solution to the seasonal labor problem.

"The general plan of the Association's Committee is to enlist the aid of State canners associations, and individual canners in the various States, in reporting the workings of the social security laws in their States and in providing information on new or proposed State legislation. The Committee will thus be able to accumulate information upon all of the different State laws, and, in turn, can make this information available to canners and their organizations in the various States.

"This plan recognizes that the problem is essentially one of State action and State legislation. The degree to which the work of the Committee can be successful will depend largely upon the amount of cooperation and assistance it may receive from State canner organizations and their individual members."

#### Address by President Graefe

In his address at the opening of the meeting President Graefe said, in part:

"It is gratifying indeed that the Association meetings being held this week have drawn such a large attendance. That you have laid aside your personal business affairs to come here is quite significant. It means that you have a real interest in Association work, that you believe it is worth your while to give to it both the time and energy that you could very well use on your own business. But your attendance here is significant of something else, it seems to me, and I feel that it deserves some emphasis.

"There is no blinking the fact that the present situation of the canning industry is not a happy one. Our troubles are not of our own choosing, though some of them may be of our own making because we have failed to do the right thing at the right time. We want to provide employment to as many people as possible, and at wages we can afford to pay; to buy raw products in as large quantities as we can successfully market, and pay for them prices that will properly compensate the grower; to put up a product that will satisfy consumers and sell at a price which will yield a profit that will permit us to stay in business. We have no desire to pose as philanthropic benefactors of the human race, nor to act the part of the chiseler and cheat.

"Today's meeting is not the first that many of you have been called to attend since the Board last met. It is not the year's first draft on your time and energy to meet new situations and new problems for the industry and yourself as an individual canner. It is, in fact, just one of a long series of meetings and conferences found necessary to meet situations created, not by the industry itself, but by the constantly increasing burden of laws, regulations, and restrictions proposed for, or actually imposed upon, the industry. It has been my experience, and yours, too, I believe, that an increasing and a disproportionate amount of time must now be given to the mere mechanics of compliance with new laws and regulations, and to the protection of our businesses against restrictions and regulations that would further curtail our ability to do more business, employ more people, buy more raw materials.

"It is not only new laws and regulations, and threats of still more laws, that contribute to the industry's difficulties. A sort of new profession has been developed, in which more and more people are engaging, some as a means of making a living, others as a way to get into the limelight—a profession devoted to 'saving the people' from the machinations of business. Nowadays every 'brother' in business apparently has to have a squad of paid or volunteer keepers—but it is the brother in business who has to keep the wheels turning, meet the payrolls, and pay much of the taxes.

"Personally, I can not help feel that the situation will become better only when there is a change in the attitude of the public toward those who are now so ready to believe the worst, to ascribe ulterior motives, and to exploit the occasional wrongdoer in business as if he were typical of all business men.

"Just as the business man has been, and is being, compelled to give too much of his time, energy, and money to keep his business running in accord with constantly changing rules and regulations, so our Association has found it necessary to devote an undue amount of work to the study and solution of problems which have been imposed upon the industry and which are quite separate and distinct from the problems that the Association was organized to handle. I do not mean to say that the Association is failing to keep on with its primary research and educational activities; I do emphasize, however, that more could be done on these primary activities, and with much greater benefit to the industry and the public which consumes its products, if the Association were not compelled to act upon problems, many of them without reason, that have been thrust upon the industry.

"Every one of you, I believe, feels that you would like the chance to put into your business every ounce of energy you possess, that you would like to know that you can play the business game for at least a year without change of rules or schedule, and that the umpire will not change his decisions every time some disgruntled bleacherite yells 'crook' or 'robber.'

"Among the questions to which the industry and Association have had to devote considerable time since the convention have been the definition of 'area of production' under the wage and hour law and proposals to amend the law; interpretation of the labeling provisions of the new food law, and legislation to postpone the effective date of the labeling requirements; public hearings on definitions and standards for canned foods as authorized under the new food law; legislative proposals to remove the exemption of canning crops from the orders section of the Agricultural Marketing Agreement Act; and simplification of containers. All these questions required conferences and meetings in Washington, to which canners devoted day after day of their time.

"And may I, at this point, express to those who gave of their time and ability, the gratitude of the entire industry for the work they have done. I wish I could say definitely that you will not be called on soon for further consultation and assistance, but all I can now do is to express the hope that the calls will become more infrequent and that, if and when they do come, you will continue to give the splendid spirit of cooperation that has made our Association work so successful."

#### Luncheon Address by Dr. Carothers

Outlining the objectives of his economic-research studies on the canning industry, and his plans for the work, Dr. Neil Carothers of Lehigh University said, in part:

"I accepted in late February the invitation of the Research Committee of the National Canners Association to direct a survey of the canning industry. At a meeting with Mr. Cannon, Mr. Correll, Mr. Campbell and others in late February in Washington a tentative program was outlined, to be initiated in March after I had fulfilled certain private obligations to which I was committed. It was agreed that the first approach should be on the financial operations and methods of the canning industry.

"The reasons for this financial approach are, first, that the present situation of the canning industry is obviously due wholly or in part to the financial practices of the industry. It is common knowledge that the canning industry has had an extraordinary growth in size of operations and variety of product. This has resulted in a continually changing technique of production, method of financing, and system of distribution. Many of the present methods of the industry are not the outcome of generations of experience in a settled industry. They are, on the contrary, recent and experimental expedients to cope with the extraordinary expansion of production, the introduction of new machinery, the rise of chain store markets, and the problems of nine years of depression. Without any investigation whatever of canning industry practice, it is evident that there is an extremely complex problem of financing fixed capital, raw materials, and containers. The public press and the proceedings of the annual conventions of the canning industry have both referred to special problems of the industry relating to financial methods.

"A second reason for investigating finance and credit practice is the obvious one that in the canning industry, as in every other, the foundation of success and stability is sound finance.

"Thirdly, information about financing methods is probably more readily available than information about some other aspects of the industry such as competitive practice and distribution methods.

"It was understood, from the beginning, by the Research Committee and by me, that I was unfamiliar with the technical operations and practices of the industry. This was, in my judgment, not a disadvantage but an advantage, since it was a guarantee that I would approach the problem and work

out the conclusions without prejudice for or against any interest, organization, product, or practice in the industry. My only contacts with the industry have been through my personal contacts with members of the Economic Research Committee, some officers of the Association, and other members of the staff in Washington. Even in these contacts I refrained from asking questions about individual practices of canners, so that I could not be influenced in my judgments by my personal regard for these particular officials.

"As I have said, this is an essential advantage in the survey. But it does not make for speed at the beginning. My first job has been to learn all that I could about the industry. I have been doing this as rapidly as possible, through individual conferences with persons familiar with the industry, through study of reports of canners and can companies, and through conferences with steel company experts in tin-plate. One result of these activities is my conviction that the canning industry is one of the most complex industries in the country. It faces problems of depression, changing technique, government regulation, and taxation common to all industry. But it has an extraordinary complexity of its own, due to a combination of difficult and delicate forces. Among these are seasonal production, fluctuating prices, intense competition, and large value of product in relation to fixed investment. These are not discoveries of mine. They are familiar facts. But the general weight and influence of these factors I have to know if the survey is to be sound, and I have had to learn the facts from the bottom up.

"At the meeting in February there was discussion of the methods of pursuing the project. I said that a general questionnaire going to all members of the industry was one of the methods, and it was suggested to me that getting such a questionnaire out at an early date would be desirable, not only because the industry would be interested in such evidence of the development of the survey but also because the early date for the questionnaire would come before the annual seasonal busy period. In an effort to begin at this early date I set to work early in March to devise an elaborate questionnaire, to go to all canners, covering the financial and selling methods of the industry. The questionnaire had not proceeded far when it became evident that I would get adequate replies to many of the questions only with the greatest difficulty. Whether the questionnaire replies should come to me, or to the Association for my use, the results would likely be unsatisfactory. The questionnaire was not to be aimed at the conservative and successful practices of the industry but at the unwise and unprofitable practices. And obtaining this information would be difficult.

"Among the data necessary were reports on the financial relations of canners with the can companies, the local banks, the Reconstruction Finance Corporation, and the producers of fruit, vegetables, and other farm products. If the can companies could be persuaded to tabulate their entire credit history and their entire credit relations and give me the results, it would be possible to cut out of the canners' general questionnaire a number of very intimate questions. After consulting the chairman of the Committee and Secretary Correll as to the probabilities of a successful attempt, I went ahead on that line. There were unavoidable delays due to the absence of a number of chief executives of the can companies. But I have had very satisfactory conferences with the ranking officers of two of the most important can companies, as well as correspondence and conferences with others. All those with whom I have been able to get in touch have promised cooperation. They have not agreed to answer every question, but they have agreed to answer any questions which do not involve privileged and private matters confidential between

company and individual customer. The questionnaire has been prepared and will be taken in person by me to the can companies to which it will go.

"The same procedure has been followed in the case of the Reconstruction Finance Corporation.

"Information on the warehouse receipt system can be obtained in part from the can companies. But the information thus obtained will be supplemented by special investigations among banks, canners, and warehouses in certain areas.

"The general questionnaire has been held up temporarily pending the results of the conferences with the can companies and the Reconstruction Finance Corporation. So far it has been possible to eliminate questions regarding most relations with can companies. It will go out as soon as conditions permit. A rough draft of the questionnaire will be submitted to members of the Research Committee for their judgment and advice.

"It would be most unwise for me to draw conclusions of any kind at this time. But it is possible to forecast the lines the financial investigation will take. In considerable measure the canning of foods is financed by credit lent against future sales of product at uncertain prices and uncertain dates of sale. The volume of production is fluctuating and future markets are uncertain. Working capital or trade credit is obtained from canner resources, from local banks, from the can companies, from farmers, and from other sources. It would appear that under present practice some canners do business on a very small equity, while others tend to produce without accurate forecasts of possible sales. The general aspect of the industry appears to be that of an extra-hazardous industry, despite the prosperity of some outstanding units.

"The objective of this first part of the survey is to find out (1) whether the chief difficulties are in financing, (2) what practices are undesirable, (3) whether undesirable practices can be eliminated, (4) what financial practices are best adapted to safeguard this industry, and (5) whether the best practices can be enforced in the industry. Obviously these questions relate equally to canners' financial position, to relations with banks and can companies and growers, and to methods of selling product. I hope that conclusions on these five questions can be reached by the end of this year for such presentation to the industry at the January meeting as the Economic Research Committee may consider desirable.

"At this time I am of the opinion that the survey can be completed in less than the maximum time originally suggested and with less expense than the sums appropriated. In all probability the questionnaire program will yield a great amount of information but will not yield all that will be needed. It may be that some of the most necessary information cannot be extracted by questionnaire. In any event it will probably be necessary to supplement the questionnaires by a carefully outlined program of field investigations. These will not consume an excessive amount in time or expense."

#### Membership Promotion

Discussing membership promotion, Vice-President H. F. Krimendahl said in part:

"In the memorandum distributed to you just before the luncheon, attention was called to two things: First, that the Association's membership has for many years been maintained, not by the employment of paid solicitors, but by the good will and active assistance of old members who know what the Association has done and can do both for the individual canner and the industry as a whole; second, that with the lowering of the dues for 1939, and the prospect that the pack will be reduced this year—and remember that the

1939 pack is the basis on which dues will be collected for 1940—the Association is faced with the problem of either increasing the membership or raising the rate of dues.

"One other fact in that memorandum I should like to emphasize: That to increase the membership will not only help meet the Association's financial problem but also serve to increase its strength, broaden its opportunities for service, and make it an organization of wider influence in all its relations.

"To state it plainly and frankly, I feel that the present situation—and the prospects for the coming year—put it up to each member of the Association as an individual to do a real job for his organization. And the first step toward doing that job is for each of us to become better acquainted with the work of the Association so that we can go out to non-member canners and sell them on the subject of membership. One thing certain, we cannot warm up any non-member canner so long as we are only lukewarm ourselves.

"I do not mean to say that our members are not themselves sold on the Association, although there are members who, I believe, do not make the full use that they should of the Association and its services. What I am trying to make clear is that, if we believe in the Association and its work, we owe it to the Association and to the industry to do some real missionary work among those who have not yet joined with us.

"You know as I that we really have something to sell: The laboratory and its direct and practical service on your canning problems, as well as on your labeling questions; the consumer complaint service, which affords you aid and protection against unwarranted and fraudulent claims; the Raw Products Bureau, with its counsel and assistance on crop problems; the Statistical Division, which furnishes you with the prompt, accurate figures that you need to plan your operations and direct your sales efforts; the Home Economics Division, with its active work to cultivate consumer good will and its Service Kitchen to develop recipes for your products; the INFORMATION LETTER that brings you weekly a summary of news and data that you would have to consult many different sources to obtain. I could enumerate many other things the Association has done and can do for you, including the watchful eye it keeps on legislation and government administrative matters; but you know them as well as I when you stop to think of them.

"Now, all I have to suggest is simply this: Size up your Association with other trade associations whose work you may know something about, and then, if you find that it stands where I believe everyone believes it does stand, in worth and efficiency to the industry it represents, roll up your sleeves and get to work on the canners of your acquaintance who are not yet members."

#### Resolutions

Following are the resolutions unanimously adopted by the Board paying tribute to three whose deaths have occurred since the last meeting of the Board: Elmer E. Chase, former president of the Association; Dr. Willard D. Bigelow, director of the Washington Research Laboratories; and Harry A. White, member of the Board of Directors:

#### ELMER E. CHASE

Our beloved associate and friend, Elmer E. Chase, has been taken from us, and as a former president of the National Canners Association, as a member of the Board of Directors, the Administrative Council, and many important committees, he has rendered a service to the Association and



to the canning industry, the value of which cannot be measured.

Mr. Chase always stood for the highest ethical standards in business. He was fearless in the defense of what he believed to be right, his counsel and guidance being valued most highly in connection with all problems of the industry.

He gave unstintingly, and perhaps too generously, of his time and strength in promoting the interests of the industry to which he had devoted his life, and his cheerful disposition and friendly spirit gave encouragement and strength to all who sought his help and advice.

He was beloved by everyone who knew him and his friendship was prized by all who were fortunate enough to win it; therefore be it

**RESOLVED** by the Board of Directors of the National Canners Association, assembled in Washington, D. C., on May 18, 1939, that, although this Board, the National Canners Association, and the canning industry have suffered an irreparable loss, the splendid example he has set shall live on to guide and inspire us, and that we extend to surviving members of his family our deepest sympathy; and be it further

**RESOLVED** that this resolution be entered on the permanent records of the Association.

DR. WILLARD D. BIGELOW

The National Canners Association and the canning industry throughout the world have suffered an immeasurable loss in the passing of Dr. Willard D. Bigelow, the distinguished Director of the Research Laboratories of the Association for more than twenty years. When the Research Laboratories were organized in 1913, Dr. Bigelow was appointed Chief Chemist and in 1918 he became the first Director of the Laboratories.

Before becoming associated with the National Canners Association, he had been connected with the U. S. Department of Agriculture for many years, and was associated with Dr. Wiley from the beginning in the enforcement of the Food and Drug Act in the capacity of Assistant Chief of the Bureau of Chemistry, Chief of the Division of Foods, and a member of the Board of Food and Drug Inspection.

He was universally recognized as one of the leading authorities on foods and food legislation and tribute was paid to his ability and learning by his election to many offices of distinction in scientific organizations and societies. He was for many years a director and counsellor of the American Chemical Society, a past president of the Association of Official Agricultural Chemists, and of the Association of Dairy and Food Officials.

His services to the canning industry are too great to be enumerated, but outstanding are his contributions to the study of the tin container, the nutritive value of canned foods, and the fundamental methods for establishing safe processes for all classes of canned foods.

Dr. Bigelow was respected by all for his wise counsel, upright character and good judgment, and his kindness and courtesy won the friendship and affection of those who came in contact with him. Therefore, be it

**RESOLVED** that we, the Board of Directors of the National Canners Association, meeting in Washington, D. C., on May 18, 1939, express our great sorrow over the death of our esteemed friend and counsellor, and extend to Mrs. Bigelow and his daughters our deepest sympathy; and be it further

**RESOLVED** that this testimonial be entered on the permanent records of the Board.

HARRY A. WHITE

The Board of Directors of the National Canners Association, at its meeting on May 18, 1939, desires to express and place on record its great respect and affection for their departed associate and friend, Harry A. White, who has given many years of valuable service to the Association and to the canning industry, as a member of this Board and of several of the important committees of the Association. His services were always characterized by good judgment, fairness, and tact, and his cordiality and friendliness endeared him to everyone with whom he came in contact; be it therefore

**RESOLVED** that his presence and counsel will be greatly missed, and we extend to his family and business associates our sincere sympathy; and be it further

**RESOLVED**, that this resolution be entered on the permanent records of the Association.

### Stocks and Shipments of Canned Peas

Total stocks of canned peas in canners' hands on May 1, 1939, amounted to 9,319,838 actual cases, compared with 5,844,205 cases on May 1, 1938, according to figures compiled by the Association's Division of Statistics from reports of 85 per cent of the canners packing canned peas in 1938. Estimates for the 15 per cent not reported were made by the Division.

Shipments during April amounted to 1,113,974 cases, compared with 1,233,225 cases during April, 1938. Shipments during the 11-month period, June 1, 1938, to May 1, 1939, totaled 20,729,326 cases, compared with shipments of 19,777,024 cases during the corresponding period of the preceding year.

### Stocks and Shipments of Canned Tomatoes

Stocks of canned tomatoes in canners' hands on May 1, 1939, excluding California stocks, amounted to 4,760,753 actual cases, compared with 4,221,746 cases on May 1, 1938, according to figures compiled by the Association's Division of Statistics. Stocks in California canners' hands on May 1, 1939, were 1,115,325 cases, it was reported.

Shipments during April, 1939, excluding California, were 1,192,230 cases, compared with 1,242,837 cases during April, 1938. California shipments during April amounted to 211,957 cases. Shipments during the 10-month period, July 1, 1938, to May 1, 1939, amounted to 16,002,140 cases, compared with 17,310,000 cases during the corresponding period of the preceding year.

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